



State of Utah

Department of Environmental Quality

Dianne R. Nielson, Ph.D.
Executive Director

DIVISION OF DRINKING WATER
Kevin W. Brown, P.E.
Director

Drinking Water Board
Anne Erickson, Ed.D., *Chair*
Myron Bateman, *Vice-Chair*
Ken Bassett
Daniel Fleming
Jay Franson, P.E.
Helen Graber, Ph.D.
Paul Hansen, P.E.
Laurie McNeill, Ph.D.
Dianne R. Nielson, Ph.D.
Petra Rust
Ron Thompson
Kevin W. Brown, P.E.
Executive Secretary

JON M. HUNTSMAN, JR.
Governor

GARY HERBERT
Lieutenant Governor

MINUTES OF THE DRINKING WATER BOARD MEETING HELD ON SEPTEMBER 8, 2006 IN SALT LAKE CITY, UTAH

Board Members Present

Anne Erickson, Ed.D., Chair
Myron Bateman, Vice Chair
Daniel Fleming
Jay Franson, P.E.
Paul Hansen, P.E.
Laurie McNeill, Ph.D.
Petra Rust
Ronald Thompson

Board Members Excused

Kenneth Bassett
Helen Graber, Ph.D.
Dianne Nielson, Ph.D.

Staff

Ken Wilde
Rich Peterson
Karin Tatum
Julie Cobleigh
Heather Bobb
Linda Matulich

Guests

Victoria Hegewald, Erda Acres Water Co.
Falk Hegewald, Erda Acres Water Co.
Al Deware, Erda Acres Water Co.
Alan Clark, Erda Acres Water Co.
Verl Bagley, Greenwich Water Assoc.
Gary DeLeeuw, Greenwich Water Assoc.
John Chartier, Sunrise Engineering
Jeff Matheson, Metropolitan WD
Delmas Johnson, Central Iron County WCD
Eric Franson, Franson Noble Engineering
Dustin Matsumori, George Baum/Logan
Doug Nielsen, Sunrise Engineering
Mark Neilsen, Logan City
Dale Pierson, Rural Water Association
Marie Owens, Jordan Valley WCD

ITEM 1 - CALL TO ORDER

The Drinking Water Board convened in Salt Lake City, Utah with Chairman Erickson presiding. The meeting was called to order at 1:05 p.m.

ITEM 2 – ROLL CALL

Chairman Erickson asked Ken Wilde to call roll of the Board members. The roll call showed there were 8 members present at the time.

ITEM 3 – INTRODUCTIONS

Chairman Erickson welcomed everyone and asked the guests to introduce themselves.

ITEM 4 – MINUTES OF JULY 14, 2006

Chairman Erickson stated a motion to approve the Emigration Special Service District Tour minutes and the July 14, 2006 Drinking Water Board minutes would be in order.

1. Tour of Emigration Special Service District Minutes – For Review

Daniel Fleming moved to approve the Emigration Special Service District's Tour minutes.

Laurie McNeill seconded.

**CARRIED
(Unanimous)**

2. July 14, 2006 Meeting Minutes – For Approval

Petra Rust moved to approve the July 14, 2006 Drinking Water Board minutes.

Ron Thompson seconded.

**CARRIED
(Unanimous)**

ITEM 5 – SRF/CONSERVATION COMMITTEE REPORT

1) Status Report – Ken Wilde

Ken Wilde reported the Board has \$2,309,908 in the State Loan Fund, and almost \$700,000 in the Hardship Grant Fund for a total of \$3,004,668 in the State Loan Fund. There are some funding projections listed in the packet. There are also some projects, with projected dates on when the loan closings should be, listed in the packet. The Board will have about \$10,000,000 available to use in the State Loan Fund over the next 10 months.

As of June 30, 2006, the Board has \$4,900,000 in the Federal Loan Fund. The State match will be transferred in to this Fund. Staff is anticipating another \$12,000,000 in the Hardship Grant Fund and Repayments Account. The Board will have almost \$17,000,000 in the Federal Loan Fund to use over the next 10 - 12 months. There is a list of open projects that have been authorized from the Federal Loan Fund. There are several projects that will be ready to close soon.

2) Federal SRF Applications – Karin Tatum

a) Logan City – Ken Wilde

Ken Wilde reported the Board authorized Logan City a loan of \$3,345.00 at 0.8% for 20 years at a previous meeting. Rather than provide principle forgiveness, the interest rate was decreased to provide an equivalent cost to Logan City. Logan City would like to sell some other tax exempt municipal bonds. Logan City is requesting the Board consider letting them issue taxable bonds.

In order to off-set the bond to the Board of buying non-taxable bonds, the SRF Conservation Committee is recommending the Board authorize Logan City to issue taxable bonds at an interest rate of 1.14%.

Mark Nielsen and Dustin Matsumori, Logan City representatives, addressed the Board.

Laurie McNeill mentioned she is a resident of, but not employed by, Logan City. She stated she doesn't have a conflict of interest with Logan City's request.

Discussion followed.

Daniel Fleming moved the Board allow Logan City to sell "Taxable" bonds to the Board, rather than "Tax-exempt" bonds. This will increase the interest rate by 0.34% from 0.08% to 1.14%.

Jay Franson seconded.

**CARRIED
(Unanimous)**

b) Greenwich Water Association Planning – Karin Tatum

Jay Franson declared a conflict of interest and abstained from voting. Jay Franson stayed in the Board meeting.

Karin Tatum mentioned the Greenwich Water Association is requesting a planning advance of \$20,000 at 0% for 5 years to assist them with evaluating deficiencies in their source, storage and distribution line, and to determine the best way to move forward on the project.

Eric Franson, Gary DeLeeuw and Verl Bagley, Greenwich Water Association representatives, addressed the Board.

Discussion followed.

Ron Thompson moved the Board grant a planning advance for \$20,000 at 0% for 5 years, and be consistent with the SRF Conservation Committee's recommendation to repay the \$4,000 annually. The payments will begin one year from the date the loan agreement is signed, and with the intent that the planning advance will address any issues within the compliance report. The applicant may elect to roll the balance of any loan principle into a future construction loan.

Paul Hansen seconded.

CARRIED

Seven voted yes. Jay Franson abstained from voting.

c) CICWCD Planning – Karin Tatum

Karin Tatum reported the Central Iron County Water Conservancy District (CICWCD) is requesting a planning advance of \$75,000 to continue working on their project. The District has started on Phase I by working on their source, storage and distribution of the current facility. The District is planning on hooking up several more connections. The District submitted an application for Phase II.

Delmas Johnson, CICWCD's representative, addressed the Board.

Discussion followed.

Ron Thompson moved the Board authorize the SRF Conservation Committee's recommendation of a \$75,000 planning advance at 2.46% for 5 years. CICWCD will repay \$15,000 plus interest annually, beginning one year from the date the loan agreement is signed, and with the intent that the planning advance will address any issues within the compliance report. The applicant may elect to roll the balance of any loan principle into a future construction loan at the interest rate calculated for the construction loan.

Jay Franson seconded.

**CARRIED
(Unanimous)**

d) Erda Acres Planning – Karin Tatum

Karin Tatum reported Erda Acres is requesting a \$20,000 Planning Grant to evaluate the growth in their community. The SRF Conservation Committee has discussed the best options available with Erda Acres on their growth issues. Erda Acres is willing to look at regionalization.

Falk Hegewald, Al Deware, Alan Clark, and John Chartier (Sunrise Engineering), Erda Acres representatives, addressed the Board.

Discussion followed.

Ron Thompson moved the Board authorize a \$20,000 Planning Grant to Erda Acres Water Company with the intent that the planning advance will address any issues within the compliance report.

Daniel Fleming seconded.

**CARRIED
(Unanimous)**

ITEM 6 – CROSS CONNECTION COMMISSION RENEWALS

Ken Wilde reported staff is recommending the Board approve Dan Smith, Gary Jenkins, Tim Collings, and Jeff Tingey to serve a 2-year term on the Cross Connection Control Commission.

Discussion followed.

Myron Bateman moved the Board approve Dan Smith, Gary Jenkins, Tim Collings, and Jeff Tingey to serve a 2-year term on the Cross Connection Control Commission.

Anne Erickson seconded.

**CARRIED
(Unanimous)**

ITEM 7 – MINIMUM PRESSURE RULE

Ken Wilde mentioned the Board revised the Minimum Pressure Rule last year. Staff reviewed the final Rule that was passed on March 3, 2006. It appears the Rule doesn't say what the Board intended or what staff thought it said. Staff is bringing the Minimum Pressure Rule back to the Board to make sure it is written correctly.

The revised rule requires that: (1) "Existing public drinking water systems approved prior to January 1, 2007, which expand their service into new areas or supply new subdivisions shall meet the minimum dynamic water pressure requirements in R309-105-9(2) at any point of connection in the new service areas or new subdivisions.", and (2) "all new public drinking water systems constructed after January 1, 2007 shall be designed to meet the new minimum pressure requirements."

Ron Thompson moved the Board authorize staff to file the approved amendments with Administrative Rules for publication in the Utah Bulletin on October 1, 2006.

Paul Hansen seconded.

**CARRIED
(Unanimous)**

ITEM 8 – CHAIRMAN'S REPORT

Chairman Erickson commented on an article that was printed in the DEQ Newsletter on the completion of the new Drinking Water database.

Chairman Erickson commended Ken Bousfield, Brett Shakespear, Mark Jensen, and Bob Shipman, for the work they accomplished over the last 2 ½ years on the new program.

Chairman Erickson asked Ken Wilde to thank Ken Bousfield, Mark Jensen, Brett Shakespear, and Bob Shipman for the work they accomplished on the new database on behalf of the Drinking Water Board.

ITEM 9 – DIRECTORS REPORT

1. Final 2007 Drinking Water Board Meeting Schedule

Ken Wilde mentioned he will pass on the suggested changes for the 2007's Drinking Water Board Meeting schedule to Kevin.

Ken mentioned the SRF Conservation Committee Schedule is also included. The schedule shows the cut-off dates that applications must be in to staff. After the SRF Conversation Committee meeting, the material will be completed and submitted for the next Board meeting.

Discussion followed.

2. Town of Alta's Report of Available Water

Ken Wilde reported a public hearing was held at the March 3, 2006 Board meeting on the availability of water to the Town of Alta. Staff was able to close this issue for the Town of Alta.

Discussion followed.

3. Mountain View Hearing for the November 17, 2006 Drinking Water Board Meeting

Ken Wilde mentioned there will be a public hearing on Mountain View at the beginning of the Board meeting on November 17, 2006.

Discussion followed.

ITEM 10 – NEWS ARTICLES

The news articles are in the packet.

ITEM 11 – LETTERS

The letters are in the packet.

ITEM 12 – NEXT BOARD MEETING

The next Board meeting is scheduled for November 17, 2006. There will be a Board meeting in the morning with the Water Quality Board and lunch. The Drinking Water Board and the Water Quality Board will then hold separate Board meetings in the afternoon.

ITEM 13 – OTHER

Chairman Erickson mentioned how much the Board appreciates their association with the Rural Water Association of Utah. The Board also appreciates Dale Pierson for coming to the Board meetings on behalf of the Rural Water Association of Utah.

Daniel Fleming mentioned that Boyd Workman got married. A card will be sent to Boyd Workman from the Board.

ITEM 14 – ADJOURN

Chairman Erickson stated a motion to adjourn the Board meeting would be in order.

The motion to adjourn the meeting at 1:50 p.m. was made and seconded.

**CARRIED
(Unanimous)**

Linda Matulich
Recording Secretary